

IN THE MATTER OF A COMPLAINT PURSUANT TO
THE CANADIAN INTERNET REGISTRATION AUTHORITY DOMAIN
NAME DISPUTE RESOLUTION POLICY AND RULES

CASE NO.: DCA-1525-CIRA
DISPUTED DOMAIN NAME: cana-med.ca
COMPLAINANT: Prairie Plant Systems Inc.
REGISTRANT: 362391 (Kevin Lawson)
REGISTRAR: tu cows.com Co. (Registration No. 156)
SERVICE PROVIDER: British Columbia International Commercial Arbitration Centre
(BCICAC)
PANEL: James E. Redmond

DECISION

The Parties

1. The Complainant is Prairie Plant Systems Inc., of Saskatoon, Saskatchewan. It is represented in this proceeding by Terry J. Zakreski of Stevenson Hood Thornton Beaubier LLP, of 500, 123-2nd Avenue South, Saskatoon, SK, S7K 7E6.
2. The Registrant is 362391 (Kevin Lawson).

Procedural History

3. This is an administrative proceeding pursuant to the Canadian Internet Registration Authority (CIRA) Dispute Resolution Policy (Policy) and Domain Name Dispute Resolution Rules (Rules). The Complaint was submitted to the Service Provider on August 22, 2013. The Service Provider reviewed the Complaint and found it to be in administrative compliance with CIRA's requirements under Rule 4.2. The Service Provider advises that a copy of the Complaint was forwarded to the Registrant by letter and email. The Registrant has not provided a Response to the Complaint.

4. By letter dated September 13, 2013, the Service Provider advised the Complainant that the Registrant had failed to submit a Response within the allowed time, and that the Complainant could therefore elect to convert from a three-person tribunal to a single arbitrator. The Complainant elected to proceed with a sole arbitrator. The Service Provider then selected James E. Redmond, to serve as the arbitrator in this case. The arbitrator has declared that he is able to act impartially and independently and that there are no circumstances known to him that would prevent him from so acting.
5. The Panel finds that all technical requirements for the commencement and maintenance of this proceeding were met and that the Panel was properly constituted and appointed in accordance with the Policy and the Rules.

Complainant's Eligibility

6. The Complaint relates to a trade-mark registered at the Canadian Intellectual Property Office (CIPO) and the Complainant is the owner of the trade-mark. The Panel finds that the Complainant is an eligible complainant under paragraph 1.4 of the Policy.

The Complaint

7. In accordance with paragraph 3.1 of the Policy, the Complainant alleges that:
 - (a) The Registrant's dot-ca domain name is Confusingly Similar to a Mark in which the Complainant had Rights prior to the date of registration of the domain name and continues to have such Rights;
 - (b) The Registrant has no legitimate interest in the domain name as described in paragraph 3.4, and
 - (c) The Registrant has registered the domain name in bad faith as described in paragraph 3.5.
8. Since the Registrant has not submitted any Response to the Complaint, the Panel will decide the matter on the evidence and submissions put forward by the Complainant, together with reasonable inferences arising therefrom.

Factual Background

9. According to the evidence submitted by the Complainant, Prairie Plant Systems Inc. (“PPS”) is a Saskatchewan corporation with a registered office in Saskatoon, Saskatchewan. PPS was established in 1988, as a privately held plant biotechnology company with a focus on research and development. In December of 2000, Health Canada awarded the Complainant a \$5.5 Million contract for “the Development of Comprehensive Operations for the Cultivation and Fabrication of Medical Marihuana”.
10. Since 2003, the Complainant has held the exclusive contract with Health Canada to supply medical marihuana to eligible patients in Canada. It has shipped medical marihuana to eligible patients since April 24, 2003. All of the Complainant’s medical marihuana is sold under the name “CanniMed”.
11. The Complainant states that its annual sales of medical marihuana have grown from \$1,228,485 in 2003 to \$9,684,639 in 2012.
12. The Complainant’s evidence further is that since the Complainant has been the only Health Canada-authorized supplier of medical marihuana in the Canada since 2003, the name “CanniMed” has become strongly associated with the Complainant. As an example, the Complainant includes in its evidence an extract from the entry for “medical cannabis” in the online version of Encyclopedia Britannica:

...for instance, a standardized cannabis product known as CanniMed was developed for medical use in Canada under Health Canada’s Medical Marihuana Access Regulations (MMAR) which were enacted in 2001. The cannabis plants cultivated for CanniMed are grown under carefully controlled conditions, and the drug is standardized to contain approximately 12.5% THC.
13. The Complainant applied for registration of the trade-mark CANNIMED. The trade-mark was registered on August 6, 2004 under Registration No. TMA616375, in association with “medicines derived from cannabis, namely, anti-inflammatories, analgesics, sedatives, appetite stimulants, anti-nauseants, intraocular pressure reducers, anti-tumors, antioxidants, antidepressants and antihypertensives.”
14. On May 3, 2013 the Complainant filed a trade-mark application for “CANNIMED” for use in association with wares described as “pharmaceutical cannabis, namely medical marihuana”,

with a claimed first use of April 24, 2003. On May 17, 2013, the Complainant filed an application for the trade-mark “CanniMed 12-0 & Design,” based upon proposed use in Canada for “pharmaceutical cannabis, namely medical marihuana”.

15. The Disputed Domain Name, “cana-med.ca” was registered on December 20, 2010. The Complainant’s evidence is that the domain was not active for some time after its registration but that since approximately July, 2012, the domain has been used to direct visitors to the website” Cana-Med.Ca” which advertises itself as a seller of medical marihuana.
16. On June 19, 2013, counsel for the Complainant sent a “cease and desist” email to the Respondent at the email address shown on the webpage as the location to contact Cana-Med.Ca, but no response was received.

Confusingly Similar

17. Under paragraph 3.1(a) of the Policy the Complainant must show that the Disputed Domain Name is Confusingly Similar to a Mark in which the Complainant had Rights prior to the date of registration of the domain name and continues to have such Rights. In this case, the Complainant’s trade-mark “CANNIMED” is registered in the Canadian Intellectual Property Office, has been used in Canada since 2004, and continues to be used by the Complainant. It is a Mark in which the Complainant has Rights.
18. The current version of the Policy, version 1.3, came into effect on August 22, 2011. It no longer contains a definition of “Rights”. It has been held that this amendment was made to provide for a broad interpretation of a concept of Rights and includes common law rights in addition to registered trade-mark rights, under the *Trade-marks Act*, R.S.C. c. T-13, as amended. (*The Exite Group, Inc. v. Zucker International Marketing Inc.*, CIRA 00176 (2011)). Since the Complainant has been selling medical marihuana in Canada under the name “CanniMed”, it has common law rights in that Mark.
19. Under paragraph 3.3 of the Policy, in determining whether a domain name is Confusingly Similar to a Mark, the Panel shall only consider whether the domain name “so nearly resembles the Mark in appearance, sound or the ideas suggested by the Mark as to be likely to be mistaken for the Mark.”

20. Under paragraph 1.2 of the Policy, “domain name” means the domain name excluding the “dot-ca” suffix, so the “.ca” portion of the Disputed Domain Name does not enter into the determination of the question of confusing similarity. The first of several points to be considered in arriving at a decision in this case is the significance, if any, to be given to the differences in spelling and punctuation as between “Cana-Med” and “CANNIMED” or “CanniMed”.
21. In *Canadian Broadcasting Corporation/Société Radio-Canada v. William Quon*, CIRA No. 00006, 2003, the Panel found that the domain name “radiocanada.ca” was Confusingly Similar to the Complainant’s trade-mark “Radio-Canada” despite the existence of the hyphen. Further, domain names have been held in several cases to be confusingly similar with a complainant’s mark despite differences in spelling – for example “mould.ca” was held to be confusingly similar to the Mark “MOLD” (*Mold.ca v. Romelus*, CIRA No. 00192, 2012); “Expressfit4women” was held confusingly similar to the Mark “EXPRESS FIT FOR WOMEN” (*Franchizit Corp. v. 984308 Ontario*, CIRA No. 00021, 2004); and in *Amazon.com v. Abraham*, CIRA No. 00018, 2004, the domain names “Amzon.ca”, “Amamzon.ca”, “Amazn.ca” and “Amazons.ca” were found to be confusingly similar to the complainant’s various “Amazon” Marks. Here, the appearance of the domain name and the trade-mark are similar in appearance, with the domain name differing to the extent of having one less letter “n”, an “a” in place of the letter “i”, and the addition of a hyphen.
22. Further considerations are that the ideas suggested by the domain name and the Mark are similar, and that when pronounced, “Cana-Med” and “CANNIMED” or “CanniMed” are essentially identical in sound.
23. The Panel concludes that on first impression and imperfect recollection, the Disputed Domain Name is likely to be mistaken for the Mark and is therefore confusingly similar within the meaning of paragraph 3.3 of the Policy.

Bad Faith

24. Paragraph 3.5 of the Policy lists circumstances which, in particular but without limitation, shall be evidence that a registrant has registered a domain name in bad faith. The Complainant notes that by including in the current version of the Policy at the beginning of paragraph 3.5 the words “in particular but without limitation” and by including the new subparagraph 3.5(d),

the “bad faith” provisions now capture a wider ambit of conduct than under the previous version of the Policy. The Complainant submits that paragraphs 3.5(c) and 3.5(d) apply on the facts of this case. The Complainant asserts that the Panel may properly “rely on inferences and the exercise of common sense”, and refers to *CBC/Radio-Canada v. Quon*, CIRA No. 00006, 2003. In that case, the Panel said:

... It is quite difficult usually, if not impossible, to show bad faith with concrete evidence. The Panel is therefore of the opinion that it can take into consideration surrounding circumstances and draw inferences to determine whether or not the Registrant’s actions are captured by paragraph 3.7 ... To require the Complainant to provide direct evidence of the Registrant’s bad faith intentions would allow a Registrant with a certain level of skill to easily evade that application of the CIRA Policy, hence rendering it moot or irrelevant.

That reasoning has been adopted in numerous other CIRA decisions. (See for example *Ryerson University v. MetCap Living Management Inc.*, CIRA No. 00172, 2011 at page 4.)

25. The Complainant submits that an inference of bad faith can be made where the registrant of a confusingly similar domain name sells goods or services similar to those of the Complainant, citing *HRB Royalty v. Taxman*, CIRA No. 00093, 2008, at page 5. In that case, the Panel referred to a number of cases in which it had been held that a Registrant disrupts the business of a competitor if it offers goods or services that compete with, or rival, the goods or services offered by the trade-mark owner. (See: *Glaxo Group Limited v. Defining Presence Marketing Group Inc. (Manitoba)*, CIRA No. 000202004; *Sotheby’s (Canada) Inc. v. PII Technologies Inc. and Keith Lihou*, CIRA No. 00026, 2005; *General Motors Acceptance Corporation v. Bob Woods*, CIRA No. 00051, 2006).
26. In this case, the evidence shows that visitors to the disputed domain are referred to a web page of “Cana-Md.Ca” where medical marihuana is offered for sale. The Panel concludes that a reasonable inference can be made that the Registrant registered the domain name for the purpose of disrupting the business of the Complainant.
27. It is also a reasonable inference from the evidence that by using the Disputed Domain Name to offer medical marihuana, the same product as that which is the subject matter of the Complainant’s business and its trade-marks, the Registrant intentionally attempted to attract, for commercial gain, internet users to the Registrant’s website or location by creating a likelihood of confusion with the Complainant’s Mark as to the source, sponsorship, affiliation,

or endorsement of the Registrant's website or location or of a product or service on the Registrant's website or location, within the meaning of paragraph 3.5(d) of the Policy. (*HRB Royalty v. Taxman, supra*).

28. The Panel finds that the Disputed Domain Name was registered in bad faith within the meaning of paragraph 3.5 of the Policy

Legitimate Interest

29. Under paragraph 4.1(c) of the Policy, the Complainant must provide some evidence that the Registrant has no legitimate interest in the domain name as described in paragraph 3.4. Paragraph 3.4 lists six sets of circumstances, any one of which shall demonstrate that the Registrant has a legitimate interest in a domain name. The first four of these, 3.4(a) to 3.4(d), require that the Disputed Domain Name was registered in good faith. While good faith is not necessarily the precise converse of bad faith, considerations which apply to the determination of bad faith under paragraph 3.5 may also apply to the determination as to whether the Respondent acted in good faith under paragraph 3.4. (*HRB Royalty v. Taxman, supra*).
30. In this case, the fact that the Disputed Domain Name is being used to offer for sale products which are the same as and competitive with those being sold by the Complainant in association with its trade-marks demonstrates a lack of good faith and that the Registrant has no legitimate interest in the domain name. Additional factors demonstrating lack of good faith include the failure of the Registrant to respond to the Complainant's cease and desist letter or to file a Response in this proceeding, and the fact that it is selling medical marijuana without the required license. Neither of the factors listed in paragraphs 3.4(e) nor 3.4(f) applies in this case.
31. The evidence before the Panel is sufficient to constitute "some evidence" of the lack of a legitimate interest, and the Registrant has failed to provide any evidence or submissions to meet the onus upon it to show upon a balance of probabilities that it has a legitimate interest in the domain name.
32. Accordingly, the Panel finds the Registrant has no legitimate interest in the Disputed Domain Name.

Conclusion and Order

33. For the reasons given above, the Panel finds that the Complaint is successful and orders and directs that the registration of the Disputed Domain Name be transferred to the Complainant.

Dated this 9 day October, 2013

James E. Redmond